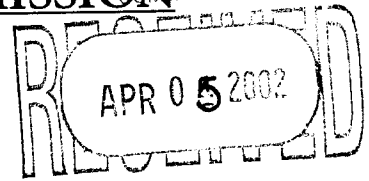


4-5-02 2001 assessment db updated am

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-01997A
ADAMAN MUTUAL WATER COMPANY
16251 WEST GLENDALE AVENUE
LITCHFIELD PARK AZ 85340-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-5-02 am

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>ADAMAN MUTUAL WATER COMPANY</u>		
Mailing Address <u>16251 W. Glendale Avenue</u> (Street) <u>Litchfield Park, AZ 85340</u> (City) (State) (Zip)		
<u>623 935-2837</u> Telephone No. (Include Area Code)	<u>623 935-1236</u> Fax No. (Include Area Code)	<u>602 390-3167</u> Pager/Cell No. (Include Area Code)
Email Address <u>adaman@qwest.net</u>		
Local Office Mailing Address _____ (Street) _____ (City) (State) (Zip)		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>David Schofield, General Manager</u> (Name) (Title)			
<u>16251 W. Glendale Avenue Litchfield Park, AZ 85340</u> (Street) (City) (State) (Zip)			
<u>623 935-2837</u> Telephone No. (Include Area Code)	<u>623 935-1236</u> Fax No. (Include Area Code)	<u>602 390-3167</u> Pager/Cell No. (Include Area Code)	
Email Address <u>adaman@qwest.net</u>			
On Site Manager: <u>Same</u> (Name)			
_____ (Street) (City) (State) (Zip)			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: norman D. James

(Name)

3003 N. Central Ave #2600 Phoenix, AZ 85012-2913

(Street)

(City)

(State)

(Zip)

602 916-5000

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☒ **Other (Describe)** non profit corporation

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☒ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

COMPANY NAME

ADAMAN MUTUAL WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	2,058	1,793	265
307	Wells and Springs	101,907	84,560	17,347
311	Pumping Equipment	76,585	66,362	10,223
320	Water Treatment Equipment	20,364	14,792	5,572
330	Distribution Reservoirs and Standpipes	45,548	9,299	36,249
331	Transmission and Distribution Mains	187,177	141,668	45,509
333	Services			
334	Meters and Meter Installations	29,535	17,374	12,161
335	Hydrants	1,497	226	1,271
336	Backflow Prevention Devices	574	165	409
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3,039	2,838	201
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	3,263	1,243	2,020
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	471,547	340,320	131,227

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

ADAMAN MUTUAL WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	1,369	.05	74
307	Wells and Springs	101,907	.13	13,465
311	Pumping Equipment	20,335	.12	2,486
320	Water Treatment Equipment	15,829	.13	2,134
330	Distribution Reservoirs and Standpipes	45,548	.05	2,277
331	Transmission and Distribution Mains	89,310	.05	4,429
333	Services			
334	Meters and Meter Installations	25,623	.10	2,605
335	Hydrants	1,497	.10	150
336	Backflow Prevention Devices	574	.26	57
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2,479	.25	612
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	2,560	.05	128
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	307,031	.09	28,417

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 158,392	\$ 220,557
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	26,445	21,642
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	5,015	5,603
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 189,852	\$ 247,802
	FIXED ASSETS		
101	Utility Plant in Service	\$ 455,928	\$ 471,547
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	313,161	340,320
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 142,767	\$ 131,227
	TOTAL ASSETS	\$ 332,619	\$ 379,030

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 9,703	\$ 12,963
232	Notes Payable (Current Portion)	107,310	
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	2,249	410
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	1,160	977
	TOTAL CURRENT LIABILITIES	\$ 120,422	\$ 14,350
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$ 100,859
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	23,127	33,965
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	21,214	21,272
272	Less: Amortization of Contributions	3,267	5,345
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 41,074	\$ 49,893
	TOTAL LIABILITIES	\$ 161,496	\$ 165,101
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 2,503	\$ 2,503
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	168,620	211,426
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 171,123	\$ 213,929
	TOTAL LIABILITIES AND CAPITAL	\$ 332,619	\$ 379,030

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 237,449	\$ 240,068
460	Unmetered Water Revenue		
474	Other Water Revenues	2,463	3,203
	TOTAL REVENUES	\$ 239,912	\$ 243,271
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 55,125	\$ 60,585
610	Purchased Water		
615	Purchased Power	34,064	35,343
618	Chemicals	1,299	1,405
620	Repairs and Maintenance	16,600	24,420
621	Office Supplies and Expense	5,646	6,400
630	Outside Services	4,402	7,122
635	Water Testing		
641	Rents	1,008 1,800	2,531
650	Transportation Expenses	3,894	4,305
657	Insurance – General Liability	4,823	6,559
659	Insurance - Health and Life	3,145	3,159
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2,085	2,699
403	Depreciation Expense	29,638	28,417
408	Taxes Other Than Income	1,105	
408.11	Property Taxes	11,483	10,605
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 176,217	\$ 195,346
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 3,031	\$ 2,027
421	Non-Utility Income	263	278
426	Miscellaneous Non-Utility Expenses	20,422	
427	Interest Expense	10,073	9,419
	TOTAL OTHER INCOME/EXP	\$ (27,201)	\$ (7,114)
	NET INCOME/(LOSS)	\$ 36,494	\$ 40,807

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	7/25/01			
Source of Loan	Community Bank			
ACC Decision No.	59739			
Reason for Loan	Capital Improvement			
Dollar Amount Issued	\$ 104,099	\$	\$	\$
Amount Outstanding	\$ 100,859	\$	\$	\$
Date of Maturity	07/26/06			
Interest Rate	8.25%			
Current Year Interest	\$ 8,728	\$	\$	\$
Current Year Principle	\$ 6,451	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 19,452
Meter Deposits Refunded During the Test Year	\$ 2,888

COMPANY NAME

ADAMAN MUTUAL WATER COMPANY

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-620807	100	550	12"	

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 115,561

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1	2	
15	1		
30	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
200,000	1	3000	1

STATISTICAL INFORMATION

Total number of customers 188

Total number of gallons sold 100,354,400 gallons

COMPANY NAME _____

YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____

Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____

Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances: _____

Amount of Contributions/Advances _____

Amount of Gross-Up Tax Collected _____

Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME ADAMAN MUTUAL WATER COMPANY **YEAR ENDING 12/31/2001**

WATER AND SEWER UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

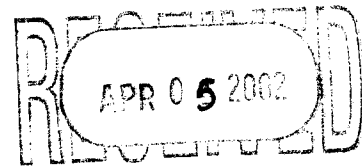
\$ 11,043.86

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>David Schofield, General Mgr</u>
COMPANY NAME	<u>ADAMAN MUTUAL WATER COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)


\$ 258,563

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 15,292

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL
623 935-2837

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

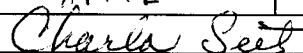
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

THIRD

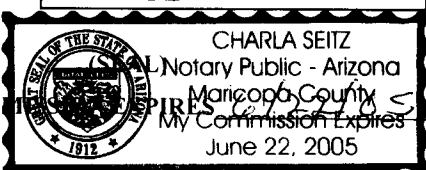
DAY OF

COUNTY NAME	<u>Maricopa</u>	
MONTH	<u>APRIL</u>	<u>2002</u>



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION



ADAMAN WATER DISTRICT16251 W. GLENDALE AVENUE
LITCHFIELD PARK, AZ 85340
(623) 935-2837COMMUNITY BANK
11 W. VAN BUREN ST.
AVONDALE, ARIZONA 85323

10998

91-499/1221

CHECK NO.
10998

Memo:

DATE

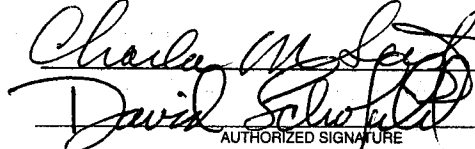
Mar 2, 2001

AMOUNT

*****\$5,741.33

PAY
TO THE
ORDER
OF

Five Thousand Seven Hundred Forty-One and 33/100 Dollars

Maricopa County Treasurer
100 County Administration Bldg
301 W. Jefferson Street
Phoenix, AZ 85003
AUTHORIZED SIGNATURE MP

⑈010998⑈ ⑆122104994⑆

⑈6004919476⑈

⑈0000574133⑈

ADAMAN WATER DISTRICT16251 WEST GLENDALE AVENUE
LITCHFIELD PARK, ARIZONA 85340
(623) 935-2837COMMUNITY BANK
11 WEST VAN BUREN STREET
AVONDALE, AZ 85323

11404

91-499/1221

CHECK NO.
11386

Memo:

DATE

Oct 5, 2001

AMOUNT

*****\$5,302.53

PAY
TO THE
ORDER
OF

Five Thousand Three Hundred Two and 53/100 Dollars

Maricopa County Treasurer
100 County Administration Bldg
301 W. Jefferson Street
Phoenix, AZ 85003
AUTHORIZED SIGNATURE MP

⑈011404⑈ ⑆122104994⑆ ⑈6004919476⑈

⑈0000530253⑈

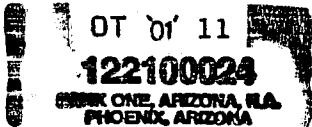
111110 204 500 000 000 1 63417906 1 6345030301

994010080700 101201

1221-0220-7

CREDIT TO ACCT OF
NAMED PAYEE WITH-
OUT PREJUDICE
ABSENCE OF ENDORSE-
MENT GUARANTEED BY
BANK ONE AZ NA

1221-0220-7



159302477

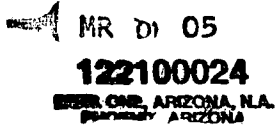
030501 064 004 151 152 1 63417906 1 6345030301

994020050650 30601

1221-0220-7

CREDIT TO ACCT OF
NAMED PAYEE WITH-
OUT PREJUDICE
ABSENCE OF ENDORSE-
MENT GUARANTEED BY
BANK ONE AZ NA

1221-0220-7



159302477